

Exam

Name_____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 1) You have been tasked with building employee engagement at the firm you work for. Strategic human resources initiatives you would consider implementing include: 1) _____
- A) employee relations activity.
 - B) employee recognition programs.
 - C) employee recognition programs and management development programs.
 - D) diversity programs.
 - E) job design indicators.

Answer: C

Explanation: A)
B)
C)
D)
E)

- 2) You are the HR generalist of a national railway. Which employment legislation would you refer to when it comes to employee relations issues within the organization? 2) _____
- A) provincial/territorial
 - B) territorial
 - C) federal
 - D) provincial
 - E) none of the above

Answer: C

Explanation: A)
B)
C)
D)
E)

- 3) Revlex Inc. has decided to allow its front line workers to make decisions regarding the ordering of certain supplies that were formerly made by managers. This initiative is an example of: 3) _____
- A) a change in organizational climate.
 - B) workplace incentives.
 - C) employee empowerment.
 - D) management development.
 - E) job restructuring.

Answer: C

Explanation: A)
B)
C)
D)
E)

- 4) Taking a stand on anti-animal testing, human rights protection, and environmental conservation is an example of a firm's: 4) _____
- A) sense of social responsibility.
 - B) ethics policy.
 - C) mission statement.
 - D) desire for legal compliance.
 - E) code of ethics.

Answer: A

Explanation: A)
B)
C)
D)
E)

- 5) When unemployment rates fall: 5) _____
- A) there is always a greater demand for services.
 - B) training and retention strategies increase in importance.
 - C) retention strategies increase in importance.
 - D) unions are more likely to organize workers.
 - E) there is always a greater demand for services and training strategies increase.

Answer: B

Explanation: A)
B)
C)
D)
E)

- 6) The second phase of personnel management arrived in the 1930s with: 6) _____
- A) minimum wage legislation.
 - B) the decreasing momentum of the scientific management movement.
 - C) a decrease in unionizing activities.
 - D) a decrease in unionizing activities and minimum wage legislation.
 - E) health and safety legislation.

Answer: A

Explanation: A)
B)
C)
D)
E)

- 7) The third major phase in personnel management was a direct result of: 7) _____
- A) government intervention following the depression.
 - B) a desire for professionalism.
 - C) an increase in unionizing activities.
 - D) the increasing amount of government legislation.
 - E) the impact of the human relations movement.

Answer: D

Explanation: A)
B)
C)
D)
E)

- 8) The core values, beliefs, and assumptions that are widely shared by members of an organization are known as:
- A) organizational culture.
 - B) the mission statement.
 - C) the pervading atmosphere.
 - D) the strategic plan.
 - E) organizational climate.

8) _____

Answer: A

Explanation: A)
B)
C)
D)
E)

- 9) Rita is the HR Director of a manufacturing company. She recently undertook research to identify competitor compensation and incentive plans, information about pending legislative changes and availability of talent in the labour market for the upcoming strategic planning meeting. Rita was conducting:
- A) environmental scanning.
 - B) an environmental study.
 - C) an external opportunities/threats study.
 - D) an employee engagement survey.
 - E) an external market survey.

9) _____

Answer: A

Explanation: A)
B)
C)
D)
E)

- 10) Which of the following statements is true?
- A) The proportion of visible and ethnic minorities entering the Canadian labour market peaked in the mid-1990s and is gradually decreasing.
 - B) Ethnic diversity is starting to level off in Canada.
 - C) Ethnic diversity is increasing. Currently, more than 200 different ethnic groups are represented among Canadian residents.
 - D) The majority of Canadians are of French or British origin.
 - E) Most visible and ethnic minority Canadians are professionals.

10) _____

Answer: C

Explanation: A)
B)
C)
D)
E)

11) The HR manager of Smith & Yu company was heavily involved in a downsizing exercise of the company's sales force due to an economic downturn. He was also involved in arranging for outplacement services and employee retention programs as well as restructuring of the business following the downsizing. This is an example of HR's role in:

11) _____

- A) operational activities.
- B) formulating strategy.
- C) executing strategy.
- D) environmental scanning and executing strategy.
- E) environmental scanning.

Answer: C

Explanation: A)
B)
C)
D)
E)

12) Canadians who are functionally illiterate are:

12) _____

- A) able to perform routine technical tasks without assistance.
- B) older Canadians who did not have the opportunity to attend school.
- C) no longer in the work force.
- D) involved in academic upgrading through their place of employment.
- E) exacting a toll on organizations' productivity levels.

Answer: E

Explanation: A)
B)
C)
D)
E)

13) The implied, enforced, or felt obligation of managers, acting in their official capacities, to serve or protect the interests of groups other than themselves, is known as:

13) _____

- A) valuing diversity.
- B) a code of ethics.
- C) social responsibility.
- D) legal compliance.
- E) professionalism.

Answer: C

Explanation: A)
B)
C)
D)
E)

- 14) Technological advances in manufacturing have: 14) _____
- A) resulted in a decline in the impact of workforce diversity.
 - B) eliminated many blue-collar jobs.
 - C) had little impact on service-sector firms.
 - D) led to significant increases in the employment of persons with disabilities.
 - E) decreased the importance of white-collar jobs.

Answer: B

Explanation: A)
B)
C)
D)
E)

- 15) The practice of contracting with outside vendors to handle specified functions on a permanent basis is known as 15) _____
- A) payroll and benefits administration.
 - B) outsourcing.
 - C) contract administration.
 - D) hiring temporary employees.
 - E) labour-management relations.

Answer: B

Explanation: A)
B)
C)
D)
E)

- 16) Characteristics of Generation X employees include: 16) _____
- A) mastering of technology.
 - B) eagerness to make a contribution.
 - C) action-orientedness.
 - D) a desire for work/life balance.
 - E) sense of security linked to corporate loyalty.

Answer: D

Explanation: A)
B)
C)
D)
E)

- 17) The broad objectives of HR associations across the country include: 17) _____
- A) serving as a voice for HR practitioners.
 - B) assisting in the provision of training in the field of HR.
 - C) providing opportunities for information exchange.
 - D) skills updating.
 - E) all of the above.

Answer: E

Explanation: A)
B)
C)
D)
E)

18) Which of the following was given emphasis in Frederick Taylor's theory on HRM?

18) _____

- A) work conditions
- B) job rotation
- C) cross-functional cooperation
- D) compensation tied to performance
- E) empowerment of employees

Answer: D

Explanation: A)
B)
C)
D)
E)

19) Which of the following statements is true of the Hawthorne Studies?

19) _____

- A) Treating workers with dignity and respect was found to have a weak correlation to productivity.
- B) Economic incentives were found to be the most closely linked to productivity.
- C) Researchers were not interested in the factors influencing worker morale and productivity.
- D) The conclusions had little impact on management practices.
- E) Worker morale was greatly influenced by such factors as the supervisor's leadership style.

Answer: E

Explanation: A)
B)
C)
D)
E)

20) Which of the following jobs are likely to increase in the market as a result of technological advances?

20) _____

- A) no types of jobs will increase
- B) professional jobs and managerial positions
- C) blue-collar jobs
- D) assembly line work
- E) professional jobs

Answer: B

Explanation: A)
B)
C)
D)
E)

- 21) HR department staff members are traditionally involved in key operational responsibilities. Which of the following is an operational responsibility? 21) _____
- A) analyzing metrics
 - B) collecting metrics
 - C) interpreting health and safety legislation
 - D) interpreting human right laws
 - E) setting goals and objectives

Answer: B

Explanation: A)
B)
C)
D)
E)

- 22) A company utilizes a system to measure the impact of Human Resources which balances measures relating to financial results, customers, internal business processes and human capital management. This system is known as the: 22) _____
- A) balanced scorecard.
 - B) HRIS.
 - C) Human Capital Index.
 - D) balanced strategy.
 - E) none of the above.

Answer: A

Explanation: A)
B)
C)
D)
E)

- 23) In the early 1900s, personnel administration, as it was then called: 23) _____
- A) was closely tied to union-management relations.
 - B) played a very subservient role in organizations.
 - C) focussed on trying to improve the human element in organizations.
 - D) was highly influenced by laws and regulations.
 - E) served a key advisory role in organizations.

Answer: B

Explanation: A)
B)
C)
D)
E)

24) The process of analyzing manufacturing processes, reducing production costs, and compensating employees based on their performance levels is found in: 24) _____

- A) the human resources movement.
- B) scientific management.
- C) the scientific movement.
- D) the human relations movement.
- E) none of the above.

Answer: B

Explanation: A)
B)
C)
D)
E)

25) The ratio of an organization's outputs such as goods and its inputs such as capital is which of the following: 25) _____

- A) an internal environmental influence.
- B) outsourcing.
- C) workforce diversity.
- D) productivity.
- E) the labour market.

Answer: D

Explanation: A)
B)
C)
D)
E)

26) As the HR consultant of a newly formed company, Arun has planned a presentation for the line managers on organizational culture and the purpose it serves. Which of the following points would Arun have included in his presentation? 26) _____

- A) creating a worldlier atmosphere
- B) fostering employee loyalty and commitment
- C) increasing training levels
- D) fostering employee loyalty and commitment and providing employees with a sense of direction
- E) succession planning

Answer: D

Explanation: A)
B)
C)
D)
E)

27) Approximately _____ percent of the Canadian population could be members of visible minorities by 2017.

27) _____

- A) 40
- B) 30
- C) 50
- D) 20
- E) none of the above

Answer: D

Explanation: A)
B)
C)
D)
E)

28) Baby boomers:

28) _____

- A) are currently causing a great deal of competition for advancement.
- B) will be increasing rapidly in numbers over the next few decades.
- C) have had very high fertility rates.
- D) were born between 1946 and 1965.
- E) resulted in a focus on recruitment and selection in organizations in the past.

Answer: D

Explanation: A)
B)
C)
D)
E)

29) Mary Parker Follett was a:

29) _____

- A) strong advocate of scientific management.
- B) strong advocate of authoritarian management.
- C) believer in the motivational power of money.
- D) supporter of the view that workers are a factor of production.
- E) believer in self-management.

Answer: E

Explanation: A)
B)
C)
D)
E)

30) The Sandwich Generation refers to:

30) _____

- A) employees with older and younger coworkers.
- B) employees who have to bring their lunch to work because they can't afford to eat out.
- C) individuals who are caught in the generation gap.
- D) individuals with responsibilities for young dependents and elderly relatives.
- E) Generation Y.

Answer: D

Explanation: A)
B)
C)
D)
E)

31) Being completely familiar with employment legislation, HR policies and procedures, collective agreements, and the outcome of recent arbitration hearings and court decisions is most closely related with which of the following HR activities?

31) _____

- A) providing services
- B) formulating policies and procedures
- C) serving as a consultant
- D) offering advice
- E) serving as a change agent

Answer: D

Explanation: A)
B)
C)
D)
E)

32) Characteristics of a profession include:

32) _____

- A) many diverse points of view.
- B) certification of members.
- C) the existence of a common body of knowledge and certification of members.
- D) competing codes of ethics.
- E) government regulation.

Answer: A

Explanation: A)
B)
C)
D)
E)

33) The prevailing atmosphere or "internal weather" that exists in an organization and its impact on employees is

33) _____

- A) the need for performance appraisals.
- B) organizational climate.
- C) the need for a corporate culture.
- D) the importance of having a mission statement.
- E) a myth about organizations.

Answer: B

Explanation: A)
B)
C)
D)
E)

34) Human resources management refers to:

34) _____

- A) the management of people in organizations.
- B) concepts and techniques for organizing work activities.
- C) concepts and techniques used in leading people at work.
- D) management techniques for controlling people at work.
- E) all managerial activities.

Answer: A

Explanation: A)
B)
C)
D)
E)

35) The characteristics of the work force are known as:

35) _____

- A) unionization.
- B) population trends.
- C) demographics.
- D) diversity.
- E) organizational climate.

Answer: C

Explanation: A)
B)
C)
D)
E)

36) Questions concerning _____ are at the core of a growing controversy brought about by the new information technologies.

36) _____

- A) privacy and social responsibility
- B) job satisfaction
- C) data control, accuracy, right to privacy and ethics
- D) speed, accuracy, and efficiency
- E) employee stress levels

Answer: C

Explanation: A)
B)
C)
D)
E)

- 37) Any attribute that humans are likely to use to tell them, "that person is different from me," and thus includes such factors such as race, gender, age, values and cultural norms, is known as 37) _____
- A) perceptions.
 - B) characteristics.
 - C) diversity.
 - D) differences.
 - E) minorities.
- Answer: C
- Explanation: A)
B)
C)
D)
E)
- 38) Human resources practices that support strategy include: 38) _____
- A) production scheduling.
 - B) staffing practices.
 - C) performance management.
 - D) rewards practices.
 - E) policies and procedures.
- Answer: A
- Explanation: A)
B)
C)
D)
E)
- 39) The single most important factor governing the size and composition of the labour force is: 39) _____
- A) population growth.
 - B) the death rate.
 - C) the birth rate.
 - D) immigration patterns.
 - E) diversity.
- Answer: A
- Explanation: A)
B)
C)
D)
E)
- 40) The ratio of an organization's outputs to its inputs is known as: 40) _____
- A) productivity.
 - B) the equity ratio.
 - C) competitive ability.
 - D) the labour market.
 - E) the supply and demand equation.
- Answer: A
- Explanation: A)
B)
C)
D)
E)

41) Which of the following apply to employers and employees across Canada?

41) _____

- A) Employment Insurance and employment legislation
- B) Employment Insurance and human rights legislation
- C) the Canada Labour Code
- D) Employment Insurance and Canada/Quebec Pension Plan
- E) Employment equity legislation

Answer: D

Explanation: A)
B)
C)
D)
E)

42) If you were an HR professional in the 1940s or 1950s you would likely have had the following activities added onto your portfolio of existing responsibilities:

42) _____

- A) running the payroll department.
- B) handling orientation and performance appraisals.
- C) hiring and firing.
- D) focusing on proactive management.
- E) administering benefits.

Answer: B

Explanation: A)
B)
C)
D)
E)

43) The fourth phase of HRM is ongoing. Current management thinking holds that:

43) _____

- A) employees are often the firm's best competitive advantage.
- B) employees are motivated primarily by compensation and benefits.
- C) the goals and aims of management must be achieved at all costs.
- D) social influences are no longer important to most employees.
- E) employees are quite similar in terms of the rewards they seek.

Answer: A

Explanation: A)
B)
C)
D)
E)

44) The third phase of personnel management was concerned largely with:

44) _____

- A) benefits administration.
- B) payroll.
- C) health and safety legislation compliance.
- D) corporate contribution.
- E) corporate contribution and proactive management.

Answer: E

Explanation: A)
B)
C)
D)
E)

45) The tendency of firms to extend their sales or manufacturing to new markets abroad is known as: 45) _____

- A) cultural diversity.
- B) international marketing.
- C) globalization.
- D) product diversification.
- E) domestication.

Answer: C

Explanation: A)
B)
C)
D)
E)

46) External environmental influences having a direct or indirect influence on HRM include which of the following: 46) _____

- A) decreasing work force diversity.
- B) labour market conditions.
- C) organizational culture.
- D) increasing empowerment.
- E) organizational climate.

Answer: B

Explanation: A)
B)
C)
D)
E)

47) If you were the HR advisor of a company where the majority of the workforce consisted of employees born before 1965 what initiatives would you recommend providing to keep the group challenged? 47) _____

- A) job security
- B) independent work
- C) onsite gym facilities
- D) flexible work arrangements
- E) eldercare and pension benefits

Answer: E

Explanation: A)
B)
C)
D)
E)

48) Which of the following activities was part of the the traditional role of personnel management in the early 1900s?

48) _____

- A) environmental scanning
- B) coaching and mentoring
- C) hiring and firing employees
- D) being part of the strategy planning discussions
- E) handling union-management relations

Answer: C

Explanation: A)
B)
C)
D)
E)

49) If you were the HR advisor of a company where the majority of the workforce consisted of employees born after 1980, what initiatives would you recommend providing to keep the group challenged?

49) _____

- A) flexible work arrangements
- B) eldercare benefits
- C) job security
- D) continuous skill development
- E) empowerment and challenging work

Answer: E

Explanation: A)
B)
C)
D)
E)

50) The company's plan for how it will balance its internal strengths and weaknesses with external opportunities and threats in order to maintain competitive advantage is known as

50) _____

- A) strategy.
- B) HR strategy.
- C) environmental scanning.
- D) policies and procedures.
- E) none of the above.

Answer: A

Explanation: A)
B)
C)
D)
E)

51) The globalization of markets and manufacturing has vastly increased:

51) _____

- A) standardization practices.
- B) employee turnover.
- C) international competition.
- D) the quality of products and services.
- E) the prices of products and services.

Answer: C

Explanation: A)
B)
C)
D)
E)

52) The management philosophy based on the belief that attitudes and feelings of workers are important and deserve more attention is known as:

52) _____

- A) the human relations movement.
- B) the human resources movement.
- C) socialism.
- D) psychology.
- E) scientific management.

Answer: A

Explanation: A)
B)
C)
D)
E)

53) The knowledge, education, training, skills, and expertise of a firm's workers is known as:

53) _____

- A) management's philosophy.
- B) production capital.
- C) human capital.
- D) cultural diversity.
- E) physical capital.

Answer: C

Explanation: A)
B)
C)
D)
E)

54) Payoffs associated with properly implemented ethics programs include:

54) _____

- A) greater client/customer and employee loyalty.
- B) increased stakeholder confidence.
- C) increased profits.
- D) decreased vulnerability to legal liability issues.
- E) all of the above.

Answer: E

Explanation: A)
B)
C)
D)
E)

55) The Canadian national body through which all provincial and specialist HR associations are affiliated is called the:

55) _____

- A) International Personnel Management Association–Canada.
- B) Canadian Management Association.
- C) Human Resources Professionals Association of Ontario.
- D) Society for Human Resource Management.
- E) Canadian Council of Human Resources Associations.

Answer: E

Explanation: A)
B)
C)
D)
E)

56) Mortgage Financial needs to recruit 10 employees for a period of three months to assist its team of underwriters during the busy season. The company does not want to provide these 10 employees regular full-time or part-time status. As the HR manager, what would you suggest the company do in this situation?

56) _____

- A) use contingent employees
- B) develop a retention plan
- C) outsource the underwriting function
- D) do nothing about the situation
- E) increase the workload of staff

Answer: A

Explanation: A)
B)
C)
D)
E)

57) Joe Brown was hired by a manufacturing firm as a supervisor. During his first few weeks as a supervisor he realised that employees who report to him expect a lot of direction from him and expect all of the decision making to be done by him. Joe Brown decided to train his employees to take on additional responsibilities and make decisions within a specific scope. Joe Brown is:

57) _____

- A) outsourcing his staff.
- B) embracing his staff.
- C) empowering his staff.
- D) reducing his staff.
- E) none of the above.

Answer: C

Explanation: A)
B)
C)
D)
E)

- 58) Economic downturns are generally associated with:
- A) skills shortages.
 - B) more competition for qualified employees.
 - C) lower unemployment rates.
 - D) an overwhelming number of job applicants for vacancies.
 - E) high turnover.

58) _____

Answer: D

Explanation: A)
B)
C)
D)
E)

- 59) Management practices in the late 1800s and early 1900s emphasized:
- A) empowerment.
 - B) task simplification and performance-based pay.
 - C) self-management.
 - D) higher wages.
 - E) workplace harmony.

59) _____

Answer: B

Explanation: A)
B)
C)
D)
E)

- 60) The Hawthorne Studies are closely linked with:
- A) Frederick Taylor.
 - B) Mary Parker Follett.
 - C) scientific management.
 - D) the human resources movement.
 - E) the human relations movement.

60) _____

Answer: E

Explanation: A)
B)
C)
D)
E)

- 61) You are the Director of Human Resources at a real estate development company based in Toronto. To attract and retain employees born after 1981 which of the following would be the most strategic to implement? 61) _____
- A) eldercare
 - B) an environmental stewardship program
 - C) a comprehensive pension plan
 - D) more opportunity to work independently
 - E) greater job security

Answer: B

Explanation: A)
B)
C)
D)
E)

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 62) The goal of HRM is to align people practices to organizational strategy to produce behaviours required to achieve organizational goals. 62) _____

Answer: ☒ True ☐ False

Explanation:

- 63) Recent research indicates that there is a strong positive relationship between employee engagement and organizational performance. 63) _____

Answer: ☒ True ☐ False

Explanation:

- 64) As an HR professional in today's organizations, you need to be concerned with ethical issues such as security of information, employee and client privacy, governance and conflicts of interest. 64) _____

Answer: ☒ True ☐ False

Explanation:

- 65) The growing emphasis on education and human capital reflects several social and economic factors, such as the increase in primary-sector employment. 65) _____

Answer: ☐ True ☒ False

Explanation:

- 66) An HR professional can build employee engagement by coaching line managers to build trusting relationships with their employees, establishing recognition programs and providing management development programs. 66) _____

Answer: ☒ True ☐ False

Explanation:

- 67) Management can lose its authority and power by empowering its employees. 67) _____

Answer: ☐ True ☒ False

Explanation:

- 68) HR responsibilities have shifted from operational to strategic responsibilities which involve formulating and executing organizational strategy. 68) _____

Answer: ☒ True ☐ False

Explanation:

- 69) HR professionals are increasingly expected by their employers to be change agents who lead the organization and its employees through change 69) _____
Answer: ☒ True ☐ False
Explanation:
- 70) HRM has evolved over the last few decades due to economic forces such as globalization, technological changes, and intense competition, all of which make human capital more important. 70) _____
Answer: ☒ True ☐ False
Explanation:
- 71) Technological advances will continue to shift employment from some occupations to others, while contributing to a decline in productivity. 71) _____
Answer: ☐ True ☒ False
Explanation:

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

- 72) Describe key HRM issues related to demographic trends and workforce diversity.
Answer: Key demographic and diversity issues faced by Canadian organizations include age, education, women, visible minorities, aboriginal people and persons with disabilities.
With the baby boomers retiring within the next few decades, Canada is said to be faced with a looming shortage of skilled workers. On the other hand is the Sandwich Generation, with responsibilities for bringing up children as well as caring for elderly relatives who are no longer capable of functioning independently. Therefore, organizations are forced to look at HR practices to accommodate the growing needs and concerns of these employees. For example, some companies have started to provide eldercare benefits to those who have elderly relatives. Members of Generation X have pushed HR practices to include flexible work arrangements and a better work/life balance. Generation Y, who are now beginning to enter the workforce, are known as masters of technology and comfortable with authority and diversity. Organizations are yet again required to make changes to keep this group challenged and to manage the overall diversity in the workplace. With the level of education increasing amongst the Canadian workforce, managers are expected to try to ensure that the talents and capabilities of employees are fully utilized and that opportunities are provided for career growth.
Employment for women has steadily increased over the decades, and organizations are accommodating working women and shared parenting responsibilities by offering on-site daycare, emergency childcare support, and flexible work arrangements. Visible minorities are entering the labour market at a faster pace than the rest of the population, which poses numerous challenges for employers with increased diversity. Employers are required to recognize foreign credentials and be fair in the recruitment and selection process to give opportunities to those who are new to Canada. Persons with disabilities still continue to experience high rates of unemployment and underemployment, and to receive lower pay.
- 73) Describe the role of ethics in HRM and its challenges and benefits.
Answer: The professionalization of HRM has created the need for a uniform code of ethics as one of the requirements of maintaining professional status. CCHRA Code of Ethics provide guidelines for employees and employers. Increasingly HR is involved in providing ethics training, and monitoring to ensure compliance with the code of ethics. Key ethical issues facing Canadian organizations pertain to security of information, employee and client privacy, environmental issues, governance, and conflicts of interest.
Main reasons for failure to achieve desired outcomes are attributed to lack of leadership and inadequate training. Advantages of having an ethics program properly implemented include increased confidence among stakeholders, greater client, customer and employee loyalty, decreased vulnerability to crime, reduced losses due to internal theft and increased public trust.

74) You have been hired as the Director of Human Resources at a telecommunications company. Define organizational culture and climate and explain the importance of each to the company.

Answer: Organization culture consists of the core values, beliefs, and assumptions that are widely shared by members of an organization. It serves a variety of purposes:

- communicating what the organization "believes in" and "stands for"
- providing employees with a sense of direction and expected behaviour (norms)
- shaping employees' attitudes about themselves, the organization, and their roles
- creating a sense of identity, orderliness, and consistency
- fostering employee loyalty and commitment

Organizational climate refers to the prevailing atmosphere that exists in an organization and its impact on employees. The major factors influencing the climate are management's leadership style, HR policies and practices, and amount and style of communication. The type of climate that exists is generally reflected in the level of employee motivation, job satisfaction, performance, and productivity, and thus has a direct impact on organizational profits and/or ongoing viability.

75) Discuss the responsibilities of Human Resource Management.

Answer: Human resources management responsibilities and activities fall into two categories: operational responsibilities and strategic responsibilities. Traditionally HR professionals have focused on operational responsibilities. However, there is a growing focus on HR taking a more strategic role.

Operational responsibilities include activities such as selection and assimilation into the organization, development of capabilities and transition out of the organization. Traditional roles of HR professionals include acting as an in-house consultant, offering advice on HR-related matters, formulating HR policies and procedures and other HR services. In the recent years most of the administrative/operational activities of HR have been outsourced.

Strategic responsibilities include getting involved in strategy formulation and execution. HR professionals together with line managers undertake environmental scanning, which helps the organization to identify and analyze internal strengths and weaknesses and external threats and opportunities. HR professionals can provide information about such things as the incentive programs used by competitors, pending legislative changes and impending labour shortages. In terms of executing strategy, HR professionals act as change agents when organizations go through significant changes such as mergers, acquisitions, and downsizing. HR also is involved in reducing labour costs by introducing strategies to reduce turnover, absenteeism and occupational injuries and accidents.

76) Discuss the theories that have contributed to the evolution of HRM and the challenges faced.

Answer: The evolution of HRM can be discussed through the following theories.

Scientific Management: Concern for Production

The process of "scientifically" analyzing manufacturing processes, reducing production costs, and compensating employees based on their performance levels.

Human Relations Movement: Concern for People

A management philosophy based on the belief that the attitudes and feelings of workers are important and deserve more attention.

The Human Resources Movement: Concern for People and Productivity

A management philosophy focusing on concern for people and productivity.

Arriving at this joint focus on people and productivity involved four evolutionary phases.

The main reason for this evolution has been economic factors such as globalization, intense competition and deregulation, which have made human capital more important. Many traditional sources of competitive advantage have become less powerful. Companies are now using human capital to create a competitive advantage. However, there are number of challenges that slow the progress. HR is still considered a cost-centre by most line and senior management. Many HR professionals also need to acquire more broad-based business knowledge and skill sets and be recognized as equal business partners at the decision-making table.

77) Discuss how the impact of HRM on an organization is measured.

Answer: HR professionals need to be able to measure the value and impact of their organization's human capital and HRM practices. Traditional operational measures focused on the size and cost of the HR function such as absenteeism rates and cost per hire, but today's measures need to reflect the quality of people and the effectiveness of HRM initiatives that build workforce capability.

Watson Wyatt developed a Human Capital Index which outlines 30 key HR practices and indicates their contributions to shareholder value. These 30 practices were summarized into 5 categories—recruiting excellence, clear rewards and accountability, collegial and flexible workplace, communications integrity and prudent use of resources. Many organizations are using the balanced scorecard approach, which translates into financial results, customers, internal business process and human capital.

Answer Key
Testname: C1

- 1) C
- 2) C
- 3) C
- 4) A
- 5) B
- 6) A
- 7) D
- 8) A
- 9) A
- 10) C
- 11) C
- 12) E
- 13) C
- 14) B
- 15) B
- 16) D
- 17) E
- 18) D
- 19) E
- 20) B
- 21) B
- 22) A
- 23) B
- 24) B
- 25) D
- 26) D
- 27) D
- 28) D
- 29) E
- 30) D
- 31) D
- 32) A
- 33) B
- 34) A
- 35) C
- 36) C
- 37) C
- 38) A
- 39) A
- 40) A
- 41) D
- 42) B
- 43) A
- 44) E
- 45) C
- 46) B
- 47) E
- 48) C
- 49) E
- 50) A

Answer Key

Testname: C1

- 51) C
- 52) A
- 53) C
- 54) E
- 55) E
- 56) A
- 57) C
- 58) D
- 59) B
- 60) E
- 61) B
- 62) TRUE
- 63) TRUE
- 64) TRUE
- 65) FALSE
- 66) TRUE
- 67) FALSE
- 68) TRUE
- 69) TRUE
- 70) TRUE
- 71) FALSE

- 72) Key demographic and diversity issues faced by Canadian organizations include age, education, women, visible minorities, aboriginal people and persons with disabilities.

With the baby boomers retiring within the next few decades, Canada is said to be faced with a looming shortage of skilled workers. On the other hand is the Sandwich Generation, with responsibilities for bringing up children as well as caring for elderly relatives who are no longer capable of functioning independently. Therefore, organizations are forced to look at HR practices to accommodate the growing needs and concerns of these employees. For example, some companies have started to provide eldercare benefits to those who have elderly relatives. Members of Generation X have pushed HR practices to include flexible work arrangements and a better work/life balance. Generation Y, who are now beginning to enter the workforce, are known as masters of technology and comfortable with authority and diversity. Organizations are yet again required to make changes to keep this group challenged and to manage the overall diversity in the workplace. With the level of education increasing amongst the Canadian workforce, managers are expected to try to ensure that the talents and capabilities of employees are fully utilized and that opportunities are provided for career growth.

Employment for women has steadily increased over the decades, and organizations are accommodating working women and shared parenting responsibilities by offering on-site daycare, emergency childcare support, and flexible work arrangements. Visible minorities are entering the labour market at a faster pace than the rest of the population, which poses numerous challenges for employers with increased diversity. Employers are required to recognize foreign credentials and be fair in the recruitment and selection process to give opportunities to those who are new to Canada. Persons with disabilities still continue to experience high rates of unemployment and underemployment, and to receive lower pay.

- 73) The professionalization of HRM has created the need for a uniform code of ethics as one of the requirements of maintaining professional status. CCHRA Code of Ethics provide guidelines for employees and employers. Increasingly HR is involved in providing ethics training, and monitoring to ensure compliance with the code of ethics. Key ethical issues facing Canadian organizations pertain to security of information, employee and client privacy, environmental issues, governance, and conflicts of interest.

Main reasons for failure to achieve desired outcomes are attributed to lack of leadership and inadequate training. Advantages of having an ethics program properly implemented include increased confidence among stakeholders, greater client, customer and employee loyalty, decreased vulnerability to crime, reduced losses due to internal theft and increased public trust.

74) Organization culture consists of the core values, beliefs, and assumptions that are widely shared by members of an organization. It serves a variety of purposes:

- communicating what the organization "believes in" and "stands for"
- providing employees with a sense of direction and expected behaviour (norms)
- shaping employees' attitudes about themselves, the organization, and their roles
- creating a sense of identity, orderliness, and consistency
- fostering employee loyalty and commitment

Organizational climate refers to the prevailing atmosphere that exists in an organization and its impact on employees. The major factors influencing the climate are management's leadership style, HR policies and practices, and amount and style of communication. The type of climate that exists is generally reflected in the level of employee motivation, job satisfaction, performance, and productivity, and thus has a direct impact on organizational profits and/or ongoing viability.

75) Human resources management responsibilities and activities fall into two categories: operational responsibilities and strategic responsibilities. Traditionally HR professionals have focused on operational responsibilities. However, there is a growing focus on HR taking a more strategic role.

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Answer Key

Testname: C1

- 77) HR professionals need to be able to measure the value and impact of their organization's human capital and HRM practices. Traditional operational measures focused on the size and cost of the HR function such as absenteeism rates and cost per hire, but today's measures need to reflect the quality of people and the effectiveness of HRM initiatives that build workforce capability.

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